

## ANNEX F

### LOCAL MATTERS

In Saskatchewan, the proposed amendments to Multilateral Instrument 25-102 *Designated Benchmarks and Benchmark Administrators* are being made under the following provisions of section 154 of *The Securities Act, 1988* (the **Act**):

- clause 154(1)(d.01) authorizes the Authority to make regulations prescribing a category or categories of designated benchmarks for the purposes of subsection (7) of section 26.3 [*Designation of benchmarks and benchmark administrators*];
- clause 154(1)(d.02) authorizes the Authority to make regulations prescribing classes of service providers or security holders for the purposes of section 26.5 [*Duty to comply*];
- clause 154(1)(d.03) authorizes the Authority to make regulations prescribing requirements relating to:
  - (i) the designation of a benchmark or benchmark administrator pursuant to section 26.3 [*Designation of benchmarks and benchmark administrators*];
  - (ii) the making of orders pursuant to section 26.4 [*Requiring information*];
  - (iii) the disclosure or provision of information to the Authority, the public or any person or company by a benchmark administrator, a benchmark contributor or a benchmark user, including requirements for disclosure statements by a benchmark administrator in relation to a benchmark;
  - (iv) the quality, integrity and sufficiency of the data and the methodology used by a benchmark administrator to determine a benchmark, including requirements for a benchmark administrator to monitor benchmark contributors and data provided by benchmark contributors;
  - (v) the establishment, publication and enforcement by a benchmark administrator of codes of conduct applicable to benchmark administrators or benchmark contributors and their respective directors, officers, and employees, and any of their service providers or security holders that are in a class prescribed pursuant to clause (d.02), and the minimum requirements to be included in such a code of conduct;

- (vi) contractual arrangements related to a benchmark to be entered into by a benchmark administrator or a benchmark contributor and the minimum requirements to be included in the contractual arrangements;
- (vii) the use by a benchmark administrator and a benchmark contributor of service providers;
- (viii) prohibitions against and procedures regarding conflicts of interest involving a benchmark and benchmark administrators, benchmark contributors and their respective directors, officers, and employees, and any of their service providers or security holders that are in a class prescribed pursuant to clause (d.02), including:
  - (A) procedures to be followed to avoid conflicts of interest;
  - (B) procedures to be followed if conflicts of interest arise;
  - (C) requirements for separation of roles, functions and activities; and
  - (D) restrictions on ownership of a benchmark or benchmark administrator;
- (ix) prohibitions against the use of a benchmark that is not a designated benchmark by a benchmark user;
- (x) disclosure and other requirements respecting the use of a benchmark by a benchmark administrator, benchmark contributor or benchmark user;
- (xi) requiring information in relation to a benchmark to be provided for use by the benchmark administrator;
- (xii) the maintenance of books and records necessary for the conduct of a benchmark administrator's business and the establishment and maintenance of a benchmark;
- (xiii) the maintenance of books and records by a benchmark contributor relating to a benchmark;
- (xiv) the appointment by benchmark administrators and benchmark contributors of one or more compliance officers and any minimum standards that must be met or qualifications a compliance officer must have;
- (xv) the prohibition or restriction of any matter or conduct involving a benchmark by benchmark administrators, benchmark contributors and their respective directors, officers, and employees, and any of their service providers or security holders that are in a class prescribed pursuant to clause (d.02);

- (xvi) the design, determination and dissemination of a benchmark;
  - (xvii) plans of a benchmark user if a benchmark changes or ceases to be provided and how these plans will be reflected in the contractual arrangements of the benchmark user;
  - (xviii) the governance, compliance, accountability, oversight, audit, internal controls, policies and procedures of a benchmark administrator or benchmark contributor with respect to a benchmark;
  - (xix) the governance, compliance, accountability, oversight, audit, internal controls, policies and procedures of a benchmark administrator, benchmark contributor or benchmark user with respect to the use of a benchmark;
- clause 154(1)(d.04) authorizes the Authority to make regulations regulating submissions of information for the purposes of determining a benchmark;
  - clause 154(1)(d.05) authorizes the Authority to make regulations requiring benchmark administrators or benchmark contributors to:
    - (i) establish plans in the event that a benchmark changes or ceases to be provided or is subject to data failures or business continuity issues; and
    - (ii) reflect the plans mentioned in subclause (i) in the contractual arrangements of the benchmark administrator or benchmark contributor relating to the benchmark;
  - clause 154(1)(d.06) authorizes the Authority to make regulations governing or restricting the payment of fees or other compensation to a benchmark administrator or benchmark contributor;
  - clause 154(1)(d.1) authorizes the Authority to make regulations prescribing the circumstances in which:
    - (i) a person or company or a class of persons or companies is not required to be registered pursuant to section 27; or
    - (ii) a person or company or a class of persons or companies is deemed to be registered for the purposes of this Act or the regulations, including the circumstances in which a person or company or a class of persons or companies is registered pursuant to the laws of another jurisdiction respecting trading in securities or derivatives;
  - clause 154(1)(h) authorizes the Authority to prescribe requirements respecting books, records and other documents that market participants shall keep, including the form in which and the period for which the books, records and other documents shall be kept;

- clause 154(1)(k) authorizes the Authority to prescribe requirements with respect to recognized entities and designated entities including:
  - (i) the recognition of an entity;
  - (ii) the designation of an entity;
  - (iii) entities that may be designated;
  - (iv) the variation, suspension or revocation of a recognition or designation;
  - (v) the conditions or standards of conduct that recognized entities and designated entities must meet;
- clause 154(1)(l.4) authorizes the Authority to prescribe the principles for determining the market value, market price or closing price of a security or derivative, the net asset value of a security or quantifying a person's exposure resulting from a trade in a derivative and authorizing the Authority to make that determination;
- clause 154(1)(o) authorizes the Authority to make regulations governing annual information forms, annual reports, preliminary prospectuses, prospectuses, pro forma prospectuses, short form prospectuses, pro forma short form prospectuses, exchange offering prospectuses, simplified prospectuses, risk disclosure statements, offering memoranda or any other disclosure documents, with respect to securities and, without limiting the generality of the foregoing, prescribing procedures and requirements with respect to and providing for exemptions from:
  - (i) the use, form and content of those documents;
  - (ii) the preparation, filing, delivery or dissemination of those documents;
  - (iii) the incorporation of other documents by reference;
- clause 154(1)(u.5) authorizes the Authority to make regulations prescribing information, documents, records or other materials that are required to be filed or delivered, including requirements relating to the following:
  - (i) the method by which they are to be filed or delivered;
  - (ii) the timing of the filing or delivery;
  - (iii) the costs related to the filing or delivery;
  - (iv) when they are deemed to have been filed, delivered or received;
- clause 154(1)(ii) authorizes the Authority to make regulations respecting the media, format, preparation, form, content, execution, certification, dissemination

and other use, filing and review of all documents required pursuant to or governed by the Act, and the regulations and all documents determined by the regulations to be ancillary to the documents;

- clause 154(1)(oo) authorizes the Authority to make regulations to make regulations exempting any person, company, trade or security from all or any provision or the regulations, including prescribing any terms or limitations on an exemption and requiring compliance with those terms or limitations;
- clause 154(1)(oo.1) authorizes the Authority to make regulations prescribing circumstances and conditions for the purpose of an exemption, including conditions that refer to a person or company or class of persons or companies designated by the Authority;
- clause 154(1)(pp) authorizes the Authority to make regulations to exempt any person, company, trade, security or derivative from all or any provision of the regulations, including authorizing the Authority or the Director to prescribe any terms or limitations on an exemption and requiring compliance with those terms or limitations;
- clause 154(1)(qq) authorizes the Authority to make regulations to remove any exemption granted by the Act or the regulations, including prescribing any conditions or restrictions on removal of the exemption;
- clause 154(1)(rr) authorizes the Authority to make regulations to remove any exemption granted by the regulations, including authorizing the Authority to prescribe any conditions or restrictions on the removal of an exemption;
- clause 154(1)(tt) authorizes the Authority to make regulations pursuant to subsection (2) respecting any matter or thing set out in this subsection, other than those matter or things mentioned in clauses (nn), (ff) and (uu) and in this clause;
- clause 154(1)(xx) authorizes the Authority to make regulations prescribing any other matter or thing that is prescribed or authorized by the Act to be prescribed in the regulations; and
- subsection 154(2) authorizes the Authority to make regulations respecting any matter or thing with respect to which the Authority is authorized pursuant to subsection 154(1).